



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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Executive Director

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*See Courtes -
West*

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July 15, 1996

Mark Dotson
West Hills Excavating, L.L.C.
1208 South 200 West
P.O. Box 492
Milford, Utah 84751

Re: Removal of Mill Tailings from the Essex Copper Mill Site, Beaver County, Utah

Dear Mr. Dotson:

We received your fax on July 15, 1996, regarding the removal of crushed mill tailings from the Essex Copper Mill Site located west of Milford, Utah. This letter informs you that our office does not, at this time, consider this to be a mining related activity and, therefore, will not regulate this activity.

We are sending a copy of this letter to all parties potentially involved with this site to inform them of the removal of the mill tailings to be used as road base at the Circle Four Farm access road as outlined in your fax.

Thank you for your continued cooperation in keeping us apprised of your activities.

Sincerely,

Tom Munson

jb
cc:

Luke Chavez
Superfund Program
999 18th St., Suite 500
Denver, Colorado 80202-2405

Steve Hawthorne
EPA Emergency Response Branch
999 18th St., Suite 500
Denver, Colorado 80202-2405

Robert Resendes
Health Officer
70 West View Dr.
Richfield, Utah 84701



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FAX

West Hills Excavating, L.L.C.
1208 SO. 200 WEST
PO Box 492 • Milford, Utah 84751
801-387-5053 • 801-387-5088 FAX

DATE: 7/15/96

TO: Tom Munson

FROM: Mark Dotson

PAGES: ③

REF:

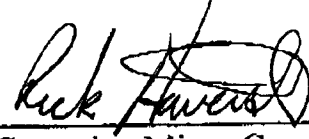
June 21, 1996

License to remove crushed rock by and between West Hills Excavating, L.L.C. and Centurion Mines Corp.

WHEREAS, Centurion Mines Corp. has made arrangements to purchase crushed mill tailing from owners of same at a certain Essex Mill Site, and WHEREAS, Centurion Mines Corp. has purchased, wholly, property adjacent to said crushed rock, with clear title from Beaver County, and WHEREAS, West Hills Excavating is desirous to use crushed mill tailings for road surface materials at several West Hills projects including but not limited to, Circle Four Farms access road at or near Blue Mountain and WHEREAS, Centurion Mines is desirous to allow West Hills the use of same for \$0.40 per ton, under the following conditions:

- (1.) West Hills will be allowed to trench and sample tailings to determine which tailings would be of no use to Centurion Mines.
- (2.) West Hills will be allowed to segregate and stock pile the tailings for said use on property owned by Centurion to facilitate segregating and to insure no conflicts of any kind with other owner interests at mill site.
- (3.) Centurion Mines may have their geologists or engineer from time to time inspect such tailings to insure rock removed has no value to Centurion.
- (4.) Any rock removed and stockpiled by West Hills, that is deemed of value to Centurion, will automatically become Centurions in place, and West Hills will in no way be reimbursed for the cost of removing same.
- (5.) West Hills will hold and save harmless Centurion Mines from liens of any kind due to labor, fuel, etc. arising from West Hills removing and stockpiling crushed tailings for road surface material.
- (6.) West Hills will reclaim and revegetate any surface disturbed on Centurions property when crushed rock has been removed and segregation is complete.
- (7.) West Hills will be limited to a maximum usage of 200,000 tons, dependant on the availability of totally spent tails.

- (8.) West Hills assumes, and will hold and save harmless Centurion Mines for any environmental liability arising from the application, if any, of crushed tailings for road surface materials.
- (9.) Centurion Mines contemplates a copper leach operation at the OK Mine. Once permits are granted, Centurion may, at its sole option, discontinue the availability of crushed mill tails to West Hills for road surface materials. West Hills may be allowed only what can be removed for such purpose as described.
- (10.) Centurion Mines assumes no guarantee of ownership.


V.P. Oper.
Centurion Mines Corporation


West Hills Excavating, L.L.C.